Impact of Medicare Prescription Drug Conference Proposal on Oregon Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Medicare at Risk

- 6 MSAs in Oregon could be selected for the premium support demonstration program.[1] In total, 368,416 Medicare beneficiaries in Oregon reside in MSAs that could be chosen for premium support.

  Qualifying MSAs:
  Bend
  Corvallis
  Eugene-Springfield
  Medford
  Portland-Vancouver-Beaverton
  Salem

- Premium variation under a full-blown premium support program could range from $1,325 in Yamhill to $675 in Columbia.[2]

Senior Citizens and Disabled Persons Worse Off

- 30,450 Medicare beneficiaries in Oregon will lose their retiree health benefits.[3]

- 63,400 Medicaid beneficiaries in Oregon will pay more for the prescription drugs they need.[4]

- 28,250 fewer seniors in Oregon will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[5]

- 17,260 Medicare beneficiaries in Oregon will pay more for Part B premiums because of income relating.[6]

(Footnotes)

[1] Calculations based on CMS HMO participation data. MSAs that currently have 25% or more HMO penetration were considered qualifying; MSAs that could qualify by 2010 based on HMOs with current penetration rates of 15% or more.

[2] CMS Actuary.

[3] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[4] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. Oregon currently has no drug copayment.

[5] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[6] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.